

## 2011 DRAFTING REQUEST

### Bill

Received: 08/25/2011

Received By: pgrant

Wanted: As time permits

Companion to LRB:

For: Cory Mason (608) 266-0634

By/Representing: Vicky Selkove

May Contact:

Drafter: pgrant

Subject: Higher Education - tech. college  
Tax, Individual - income

Addl. Drafters: mshovers

Extra Copies:

Submit via email: YES

Requester's email: Rep.Mason@legis.wisconsin.gov

Carbon copy (CC:) to:

---

### Pre Topic:

No specific pre topic given

---

### Topic:

Technical college aid; create new income tax bracket

---

### Instructions:

See attached

---

### Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 08/30/2011 mshovers 08/31/2011	csicilia 09/13/2011		_____ _____ _____ _____			S&L
/1	pgrant 09/15/2011	csicilia 09/15/2011	rschluet 09/13/2011	_____ _____	mbarman 09/13/2011		S&L
/2			jfrantze 09/15/2011	_____ _____	mbarman 09/15/2011	mbarman 10/05/2011	

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

FE Sent For:

At intro.  
10/28/2011

<END>

## **2011 DRAFTING REQUEST**

### **Bill**

Received: **08/25/2011**

Received By: **pgrant**

Wanted: **As time permits**

Companion to LRB:

For: **Cory Mason (608) 266-0634**

By/Representing: **Vicky Selkove**

May Contact:

Drafter: **pgrant**

Subject: **Higher Education - tech. college  
Tax, Individual - income**

Addl. Drafters: **mshovers**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Mason@legis.wisconsin.gov**

Carbon copy (CC:) to:

---

#### **Pre Topic:**

No specific pre topic given

---

#### **Topic:**

Technical college aid; create new income tax bracket

---

#### **Instructions:**

See attached

---

#### **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 08/30/2011 mshovers 08/31/2011	csicilia 09/13/2011		_____			S&L
/1	pgrant 09/15/2011	csicilia 09/15/2011	rschluet 09/13/2011	_____	mbarman 09/13/2011		S&L
/2			jfrantze 09/15/2011	_____	mbarman 09/15/2011		

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

FE Sent For:

**<END>**

## 2011 DRAFTING REQUEST

### Bill

Received: **08/25/2011**

Received By: **pgrant**

Wanted: **As time permits**

Companion to LRB:

For: **Cory Mason (608) 266-0634**

By/Representing: **Vicky Selkove**

May Contact:

Drafter: **pgrant**

Subject: **Higher Education - tech. college  
Tax, Individual - income**

Addl. Drafters: **mshovers**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Mason@legis.wisconsin.gov**

Carbon copy (CC:) to:

---

#### Pre Topic:

No specific pre topic given

---

#### Topic:

Technical college aid; create new income tax bracket

---

#### Instructions:

See attached

---

#### Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pgrant 08/30/2011 mshovers 08/31/2011	csicilia 09/13/2011		_____ _____ _____ _____			S&L
/1		<i>1/2 js 9/15</i> rschluet 09/13/2011		_____ _____	mbarman 09/13/2011		

FE Sent For:

*9/15*

**2011 DRAFTING REQUEST**

**Bill**

Received: **08/25/2011**

Received By: **pgrant**

Wanted: **As time permits**

Companion to LRB:

For: **Cory Mason (608) 266-0634**

By/Representing: **Vicky Selkove**

May Contact:

Drafter: **pgrant**

Subject: **Higher Education - tech. college  
Tax, Individual - income**

Addl. Drafters: **mshovers**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Mason@legis.wisconsin.gov**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Technical college aid; create new income tax bracket

---

**Instructions:**

See attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
--------------	----------------	-----------------	--------------	----------------	------------------	-----------------	-----------------

/?	pgrant	1 js 9/13					
----	--------	-----------	---	---	--	--	--

FE Sent For:

<END>

## Grant, Peter

---

**From:** Selkowe, Vicky  
**Sent:** Thursday, August 25, 2011 11:55 AM  
**To:** Grant, Peter  
**Subject:** Rep. Mason Bill Draft request

**Attachments:** New Top Bracket LFB Memo 2.1.11.pdf



New Top Bracket  
LFB Memo 2.1.1...

Hi Peter –

We need a bill drafted that draws from 2009 AB 513 and also from LRB 0016/1 which you drafted to Special Session AB 4.

We need a bill that:

- 1) Creates a new top tax bracket on millionaires according to the attached memo from Rick Olin and
- 2) Uses those funds to:
  - a) Restore GPR funds cut from the Wisconsin Technical College System budget in the 2011-2013 budget (\$71.6m/biennium) and
  - b) Provide new grants to technical college districts to reduce unemployment (using the same language/criteria, etc. from AB 513 that you pulled into LRB 0016/1 as well).

If it's cleaner to not specify exact appropriation amounts into a) & b) (since we don't know exactly how much the new top bracket will bring in) and just say that revenues generated from the new tax bracket are to be divided equally between those two purposes, that's fine.

We need this as soon as possible.

I anticipate you will have questions. ☺ Feel free to call if that's easier than email.

Thanks,  
Vicky

**Vicky Selkowe**  
**Office of State Representative Cory Mason**  
**62nd Assembly District**  
State Capitol, Room 6 North  
PO Box 8953, Madison, WI 53708  
Phone: (608) 266-0634  
Toll-free: (888) 534-0062

This message and any files transmitted with it may contain confidential and/or legally privileged material. The information is intended only for the use of the intended recipient. If you are not the intended recipient, any disclosure, copying, distribution, or taking of any action in reliance on the contents of this information is strictly prohibited. If you received this message in error, please contact the sender and delete the message.



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

February 1, 2011

TO: Representative Cory Mason  
Room 6 North, State Capitol

FROM: Rick Olin, Fiscal Analyst

SUBJECT: Proposal to Add a Sixth Tax Bracket to the Individual Income Tax

At your request, this memorandum provides an estimate of the additional revenue that might be raised under a proposal to add a sixth tax bracket to the individual income tax. As a result of 2009 Wisconsin Act 28 (the 2009-11 state budget act), a new tax bracket was added effective with the 2009 tax year, and five tax rates and brackets currently comprise Wisconsin's individual income tax structure. Wisconsin taxable income is multiplied by the applicable tax rates to arrive at gross tax liability. The tax structure is cumulative so that each tax rate applies only to income that falls within the corresponding tax bracket. The tax brackets vary by filing status and are indexed annually for inflation. The following table reports the rate and bracket structure by filing status for tax year 2011 and the projected structure for tax year 2012, based on a current estimate of the inflation rate.

### Tax Rates and Brackets for Tax Year 2011 and Projected for Tax Year 2012

Filing Status/ Tax Rate	2011 Taxable Income		2012 Taxable Income	
	At Least	But Less Than	At Least	Not Less Than
Single or Head-of-Household				
4.60%	\$0	\$10,180	\$0	\$10,360
6.15	10,180	20,360	10,360	20,720
6.50	20,360	152,740	20,720	155,420
6.75	152,740	224,210	155,420	228,140
7.75	224,210	and over	228,140	and over



<u>Filing Status/ Tax Rate</u>	<u>2011 Taxable Income</u>		<u>2012 Taxable Income</u>	
	<u>At Least</u>	<u>But Less Than</u>	<u>At Least</u>	<u>Not Less Than</u>
<b>Married, Joint</b>				
4.60%	\$0	\$13,580	\$0	\$13,820
6.15	13,580	27,150	13,820	27,630
6.50	27,150	203,650	27,630	207,230
6.75	203,650	298,940	207,230	304,190
7.75	298,940	and over	304,190	and over
<b>Married, Separate</b>				
4.60%	\$0	\$6,790	\$0	\$6,910
6.15	6,790	13,580	6,910	13,820
6.50	13,580	101,820	13,820	103,610
6.75	101,820	149,470	103,610	152,100
7.75	149,470	and over	152,100	and over

Your proposal would add a new (sixth) tax bracket for upper income filers and impose a rate of 8.75% on income within the bracket. Except for establishing a cut-off for the fifth tax bracket, the existing brackets would not change. Assuming the proposal would be enacted early enough in the current legislative session to first apply to tax year 2011, the new bracket would include income at or above the following income thresholds for tax years 2011 and 2012, under the current inflation assumption:

<u>Filing Status</u>	<u>Tax Year 2011</u>	<u>Tax Year 2012</u>
Single or Head-of-Household	\$1,000,000	\$1,017,700
Married, Joint	1,000,000	1,017,700
Married, Separate	500,000	508,850

Your proposal would increase revenues by an estimated \$65 million in tax year 2011 and \$70 million in tax year 2012. Current law provisions require the Department of Revenue (DOR) to adjust income tax withholding tables used by employers to account for any statutory changes to tax rates and brackets. It is assumed that DOR would modify the withholding tables after enactment of any legislation changing the tax rates and brackets. As a result, there would also be a one-time revenue increase under your proposal estimated at \$27 million.

If you have any questions on this information, please let me know.

RO/le

## Grant, Peter

---

**From:** Selkove, Vicky  
**Sent:** Tuesday, August 30, 2011 11:12 AM  
**To:** Grant, Peter  
**Subject:** RE: Appropriation figures for Rep. Mason bill draft

You're right. Let's do it for the second year only.

Thanks  
Vicky

**Vicky Selkove**  
**Office of State Representative Cory Mason**  
**62nd Assembly District**  
State Capitol, Room 6 North  
PO Box 8953, Madison, WI 53708  
Phone: (608) 266-0634  
Toll-free: (888) 534-0062

This message and any files transmitted with it may contain confidential and/or legally privileged material. The information is intended only for the use of the intended recipient. If you are not the intended recipient, any disclosure, copying, distribution, or taking of any action in reliance on the contents of this information is strictly prohibited. If you received this message in error, please contact the sender and delete the message

---

**From:** Grant, Peter  
**Sent:** Monday, August 29, 2011 1:43 PM  
**To:** Selkove, Vicky  
**Subject:** RE: Appropriation figures for Rep. Mason bill draft

Hi Vicky,

I thought we would be providing money for the second year (2012-13) only, for several reasons. First, if the bill passes it will be enacted too late in the 2011-12 fiscal year to award many grants in that fiscal year; second, if the source of the revenue is the additional tax bracket, there will be very little revenue attributable to that bracket until the following year; and third, we cannot budget beyond the 2011-13 fiscal biennium. If I'm wrong, and you want to provide \$35.8M and \$56.2M in 2011-12, please let me know.

Peter

---

**From:** Selkove, Vicky  
**Sent:** Monday, August 29, 2011 11:40 AM  
**To:** Grant, Peter  
**Subject:** Appropriation figures fo Rep. Mason bill draft

Hi Peter,

Here is hopefully what you need for the bill draft you're working on:

Year 1: \$35.8M to WTCS to supplement state general aid (this is the figure to make up what was cut from WTCS in the biennial budget)  
\$56.2 to grants to tech college districts as specified

Year 2: \$35.8 for WTCS to supplement state general aid (this is the figure to make up what was cut from WTCS in the biennial budget)  
\$34.2 for grants to tech college districts as specified

Thanks. Let me know if you have further questions.  
Vicky

**Vicky Selkove**  
**Office of State Representative Cory Mason**  
**62nd Assembly District**  
State Capitol, Room 6 North  
PO Box 8953, Madison, WI 53708  
Phone: (608) 266-0634  
Toll-free: (888) 534-0062

This message and any files transmitted with it may contain confidential and/or legally privileged material. The information is intended only for the use of the intended recipient. If you are not the intended recipient, any disclosure, copying, distribution, or taking of any action in reliance on the contents of this information is strictly prohibited. If you received this message in error, please contact the sender and delete the message



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-8391/1

PG/MS/GM/JK/TK:all:md

a/14 cml

LRB-2739/1

PG & MES: js

2009 ASSEMBLY BILL 513

P.W.F.  
DONE

October 23, 2009 - Introduced by Representatives MASON, GRIGSBY, HIXSON, PARISI, SINICKI, HILGENBERG, KESSLER, BERCEAU, MILROY, HEBB, SCHNEIDER, ROYS, YOUNG, HINTZ, A. WILLIAMS, ZEPNICK, FIELDS and VRUWINK, cosponsored by Senator COGGS. Referred to Joint Committee on Finance.

SA 09 ✓  
SA 11 ✓

regen.

1 AN ACT to amend 20.235 (1) (fe), 38.28 (1m) (a) 1., 71.06 (1p) (e), 71.06 (2) (g) 5.,  
2 71.06 (2) (h) 5., 71.06 (2e) (b), 71.09 (11) (f) and 560.205 (3) (d); and to create  
3 20.143 (1) (cr), 20.292 (1) (cr), 38.31, 71.06 (1p) (f), 71.06 (2) (g) 6., 71.06 (2) (h)  
4 6. and 560.147 of the statutes; relating to: the amounts appropriated for  
5 tuition grants and for Wisconsin higher education grants for University of  
6 Wisconsin system students, technical college students, and tribal college  
7 students; grants to technical college districts to reduce unemployment; grants  
8 to businesses to make capital expenditures; increasing the total amount of  
9 angel investment credits; creating a new individual income tax upper bracket;  
10 providing an exemption from emergency rule procedures; granting  
11 rule-making authority; and making appropriations.

**Analysis by the Legislative Reference Bureau**

~~Under current law, there is appropriated to the Higher Educational Aids Board (HEAB) a sum sufficient equal to \$37,750,000 in the 2009-10 fiscal year and equal to \$58,345,400 in the 2010-11 fiscal year for Wisconsin higher education grants for University of Wisconsin (UW) System students (WHEG-UW grants). There is also~~

**ASSEMBLY BILL 513**

~~appropriated to HEAB for WHEG-UW grants in the 2009-10 fiscal year \$17,250,000 in auxiliary enterprises moneys transferred to HEAB by the UW System. This bill appropriates to HEAB for WHEG-UW grants a sum sufficient equal to \$43,313,900 in the 2009-10 fiscal year and equal to \$69,850,200 in the 2010-11 fiscal year.~~

~~Under current law, there is appropriated to HEAB, as a biennial appropriation, \$36,960,100 in the 2009-11 state fiscal biennium for Wisconsin higher education grants for technical college students (WHEG-tech grants). This bill increases the amount appropriated for WHEG-tech grants in the 2009-11 state fiscal biennium by \$24,116,800 over the total amount appropriated for that purpose under current law.~~

~~Under current law, there is appropriated to HEAB, as a biennial appropriation, \$893,000 in the 2009-11 state fiscal biennium for Wisconsin higher education grants for tribal college students (WHEG-tribal grants). This bill increases the amount appropriated for WHEG-tribal grants in the 2009-11 state fiscal biennium by \$372,000 over the total amount appropriated for that purpose under current law.~~

~~Under current law, there is appropriated to HEAB, as a biennial appropriation, \$53,208,600 in the 2009-11 state fiscal biennium for tuition grants for students attending accredited, nonprofit, post-high school educational institutions in this state. This bill increases the amount appropriated for tuition grants in the 2009-11 state fiscal biennium by \$5,046,700 over the total amount appropriated for that purpose under current law.~~

This bill directs the Wisconsin Technical College System (WTCS) Board to award grants to technical college districts for programs that assist in reducing unemployment. To be eligible for a grant, a technical college district must meet certain eligibility criteria relating to the unemployment rate of areas within the district or recent increases in the unemployment rate of areas within the district. Grants are available for three specified purposes:

1. To recruit, enroll, instruct, provide support services to, and pay the tuition and fees of dislocated workers who enroll in the district. A dislocated worker is a person who has been laid off or terminated from employment and meets certain additional criteria; a person who was self-employed but is currently unemployed as a result of economic conditions or natural disasters; or a displaced homemaker.

2. To recruit, enroll, instruct, and provide services to adults who enroll in the district in a program leading to a certificate of general educational development (commonly referred to as a GED) or a high school equivalency diploma.

3. To expand existing capacity or create capacity in district programs for which there are student waiting lists or that address projected workforce needs in the district.

The bill authorizes the WTCS Board to modify the grant eligibility criteria and the purposes for which grants may be awarded in order to ensure the eligibility of district boards for grants awarded by the federal government for programs that improve completion rates and train workers for skilled occupations.

The bill directs the WTCS Board to give preference in awarding grants to programs that serve persons who reside in areas with the highest unemployment

Support

**ASSEMBLY BILL 513**

rates. The board must also submit annual reports to the governor and to the legislature regarding the programs that have been awarded grants.

This bill creates a new grant program in the Department of Commerce (department). Under the program, the department may award a grant to a business with operations, equipment, or facilities in an economically distressed area of the state for the purpose of making capital investments to upgrade or modernize the operations, facilities, or equipment of the business if the capital investments will result in the retention or creation of jobs. The bill defines an "economically distressed area" as any of the following:

1. A county, city, or micropolitan statistical area with an unemployment rate of at least 6 percent in two or more months during the 12 months preceding the date of the grant application.

2. A county, city, or micropolitan statistical area with an average unemployment rate equal to at least 120 percent of the statewide average unemployment rate during the 12 months preceding the date of the grant application.

3. A county, city, or micropolitan statistical area with an unemployment rate that has increased by at least 2 percent during the 12 months preceding the date of the grant application.

The department is to award grants on a competitive basis, and to give priority to businesses that have established or propose to establish a partnership with a technical college district board for the purpose of providing skill training or retraining to meet the specific workforce needs of that business.

Under current law, the total amount of angel investment tax credits that taxpayers may claim is \$5,500,000 in 2010 and \$18,000,000 in each year thereafter. Under the bill, the total amount of angel investment tax credits that taxpayers may claim is ~~\$7,500,000 in 2010 and \$20,000,000 in each year thereafter.~~

Under current law, there are five income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons. The brackets are indexed for inflation. The rate of taxation under current law for the lowest bracket for single individuals, certain fiduciaries, heads of households, and married persons is 4.6 percent of taxable income; the rate for the second bracket is 6.15 percent; the rate for the third bracket is 6.5 percent; the rate for the fourth bracket is 6.75 percent; and the rate for the highest bracket, which was created in the ~~Budget Act, 2009-11~~ Wisconsin Act 28, is 7.75 percent.

~~Currently,~~ the highest bracket applies to taxable income exceeding ~~\$225,000~~ <sup>149,470</sup> for single individuals, certain fiduciaries, and heads of households. For married persons, the highest current bracket applies to taxable income exceeding ~~\$450,000~~ <sup>224,210</sup> for joint filers and ~~\$225,000~~ <sup>112,105</sup> for separate filers.

This bill creates a sixth bracket with a taxation rate of 8.75 percent. For single individuals, certain fiduciaries, and heads of households, this bracket applies to taxable income exceeding ~~\$750,000~~ <sup>1,000,000</sup>. For married persons, this bracket applies to taxable income exceeding \$1,000,000 for joint filers and \$500,000 for separate filers.

This bracket is indexed for inflation, ~~starting with taxable year 2010, and first applies to taxable years beginning on January 1, 2010.~~

For taxable year 2011.

For taxable year 2012 and thereafter.

1,000,000

biennial budget act, 2009

**ASSEMBLY BILL 513**

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

2011-12      2012-13  
~~2009-10      2010-11~~

**20.143 Commerce, department of**

(1) ECONOMIC AND COMMUNITY DEVELOPMENT

(cr) Grants for business retooling

and retention

GPR

B

12,000,000

-0-

**20.292 Technical college system board**

(1) TECHNICAL COLLEGE SYSTEM

(cr) Grants to reduce unemployment

GPR

A

~~12,000,000~~

~~34,200,000~~  
30,000,000

**SECTION 2.** 20.143 (1) (cr) of the statutes is created to read:

**20.143 (1) (cr)** *Grants for business retooling and retention.* Biennially, the amounts in the schedule for grants under s. 560.147.

**SECTION 3.** 20.235 (1) (fe) of the statutes, as affected by 2009 Wisconsin Act 28, is amended to read:

**20.235 (1) (fe)** *Wisconsin higher education grants; University of Wisconsin System students.* A sum sufficient equal to \$37,750,000 ~~\$43,313,900~~ in the 2009-10 fiscal year, equal to ~~\$58,345,400~~ ~~\$69,850,200~~ in the 2010-11 fiscal year, and equal to the amount calculated under s. 39.435 (7) for the Wisconsin higher education grant

## ASSEMBLY BILL 513

## SECTION 3

1 ~~program under s. 39.435 for University of Wisconsin System students, except for~~  
2 ~~grants awarded under s. 39.435 (2) or (5), thereafter.~~

3           <sup>^</sup>  
4           **SECTION 4.** 20.292 (1) (cr) of the statutes is created to read:

5           20.292 (1) (cr) *Grants to reduce unemployment.* The amounts in the schedule  
6 for grants to technical college districts to reduce unemployment under s. 38.31.

7           **SECTION 5.** 38.28 (1m) (a) 1. of the statutes is amended to read:

8           38.28 (1m) (a) 1. "District aidable cost" means the annual cost of operating a  
9 technical college district, including debt service charges for district bonds and  
10 promissory notes for building programs or capital equipment, but excluding all  
11 expenditures relating to auxiliary enterprises and community service programs, all  
12 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
13 (6) and ss. 38.12 (9), 38.14 (3) and (9), 118.15 (2) (a), and 118.55 (7r), all receipts from  
14 grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14 (11), 38.26, 38.27, 38.31,  
15 38.33, and 38.38, all fees collected under s. 38.24, and driver education and chauffeur  
16 training aids.

17           <sup>^</sup>  
18           **SECTION 6.** 38.31 of the statutes is created to read:

19           **38.31 Grants to reduce unemployment. (1) DEFINITIONS.** In this section:

20           (a) "Dislocated worker" has the meaning given in 29 USC 2801 (9).

21           (b) "Micropolitan statistical area" means a geographic area defined by the  
22 federal office of management and budget for use by federal agencies in collecting,  
23 tabulating, and publishing federal statistics.

24           **(2) ELIGIBILITY CRITERIA.** (a) Subject to par. (b) and sub. (6), a district board is  
25 eligible for a grant under this section if it meets one or more of the following criteria:



**ASSEMBLY BILL 513****SECTION 6**

1           1. The district includes a county, city, or micropolitan statistical area with an  
2           unemployment rate of at least 6 percent in 2 or more months during the 12 months  
3           preceding the date of the grant application

4           2. The district includes a county, city, or micropolitan statistical area with an  
5           average unemployment rate equal to at least 120 percent of the statewide average  
6           unemployment rate during the 12 months preceding the date of the grant  
7           application.

8           3. The district includes a county, city, or micropolitan statistical area with an  
9           unemployment rate that has increased by at least 2 percent during the 12 months  
10          preceding the date of the grant application.

11          (b) The board may not award a grant to a district board under this section  
12          unless the district board demonstrates how the grant will serve the area or areas that  
13          established the eligibility of the district board for a grant under par. (a). ✓

14          **(3) GRANTS.** Subject to sub. (6), the board shall award grants to eligible district  
15          boards for the following purposes:

16           (a) To recruit, enroll, instruct, provide support services to, and pay the tuition  
17           and fees of dislocated workers who enroll in the district in an associate degree  
18           program, collegiate transfer program, vocational diploma program, or  
19           vocational-adult program.

20           (b) To recruit, enroll, instruct, and provide support services to adults who enroll  
21           in the district in a program leading to a certificate of general educational  
22           development or a high school equivalency diploma.

23           (c) To expand existing capacity or create capacity in district board programs for  
24           which there are student waiting lists or that address projected workforce needs in  
25           the district.

## ASSEMBLY BILL 513

1 (4) PREFERENCE. The board shall give preference in awarding grants under this  
2 section to district boards serving persons residing in areas with the highest  
3 unemployment rates. ✓

4 (5) LIMITATION ON USE OF FUNDS. A district board may not use a grant awarded  
5 under this section to pay any portion of tuition that would otherwise be paid for by  
6 a tuition remission, tuition waiver, tuition reimbursement, or any other state or state  
7 or federal financial aid program. of this state, another state  
or the federal government

8 (6) COMPLIANCE WITH FEDERAL LAW. The board may modify the eligibility criteria  
9 under sub. (2) and the purposes for which grants may be awarded under sub. (3) in  
10 order to ensure the eligibility of district boards for grants awarded by the federal  
11 government for programs that improve completion rates and train workers for  
12 skilled occupations.

13 (7) REPORT. (a) By January 15, <sup>2013</sup> 2011, and annually thereafter, the board shall  
14 submit a report to the governor and to the legislature under s. 13.172 (2). The report  
15 shall include all of the following:

16 1. The district boards awarded grants under this section and how they used the  
17 funds.

18 2. The rates of unemployment in the areas in which the grants were disbursed.

19 3. The number of people who were assisted with each grant awarded, the  
20 technical college programs in which they enrolled, the number of people who  
21 completed such programs, the number of people who found employment in the  
22 district and elsewhere upon completing such programs and their annual salaries,  
23 and the tax revenue generated as a result, as estimated by the department of  
24 revenue.

## ASSEMBLY BILL 513

## SECTION 6

1 (b) Beginning with the report submitted in 2012<sup>14</sup> the board shall include  
2 longitudinal data.

3 (8) RULES. The board shall promulgate rules to implement and administer this  
4 section.

5 SECTION 7. 71.06 (1p) (e) of the statutes, as created by 2009 Wisconsin Act 28,  
6 is amended to read:

7 71.06 (1p) (e) On all taxable income exceeding \$225,000 but not exceeding  
8 \$1,000,000, 7.75 percent.

9 SECTION 8. 71.06 (1p) (f) of the statutes is created to read:

10 71.06 (1p) (f) On all taxable income exceeding \$1,000,000, 8.75 percent.

11 SECTION 9. 71.06 (2) (g) 5. of the statutes, as created by 2009 Wisconsin Act 28,

12 is amended to read:

13 71.06 (2) (g) 5. On all taxable income exceeding \$300,000 but not exceeding  
14 \$1,000,000, 7.75 percent.

15 SECTION 10. 71.06 (2) (g) 6. of the statutes is created to read:

16 71.06 (2) (g) 6. On all taxable income exceeding \$1,000,000, 8.75 percent.

17 SECTION 11. 71.06 (2) (h) 5. of the statutes, as created by 2009 Wisconsin Act

18 28, is amended to read:

19 71.06 (2) (h) 5. On all taxable income exceeding \$150,000 but not exceeding  
20 \$500,000, 7.75 percent.

21 SECTION 12. 71.06 (2) (h) 6. of the statutes is created to read:

22 71.06 (2) (h) 6. On all taxable income exceeding \$500,000, 8.75 percent.

23 SECTION 13. 71.06 (2e) (b) of the statutes, as created by 2009 Wisconsin Act 28,

24 is amended to read:

## ASSEMBLY BILL 513

## SECTION 13

1           71.06 (2e) (b) For taxable years beginning after December 31, 2009, the  
2           maximum dollar amount in each tax bracket, and the corresponding minimum dollar  
3           amount in the next bracket, under subs. (1p) (d) and (e) and (2) (g) 4. and 5. and (h)  
4           4. and 5., and the dollar amount in the top bracket under subs. (1p) (e) (f) and (2) (g)  
5           5. 6. and (h) 5. 6., shall be increased each year by a percentage equal to the percentage  
6           change between the U.S. consumer price index for all urban consumers, U.S. city  
7           average, for the month of August of the previous year and the U.S. consumer price  
8           index for all urban consumers, U.S. city average, for the month of August 2008, as  
9           determined by the federal department of labor, except that for taxable years  
10          beginning after December 31, 2011, the adjustment may occur only if the resulting  
11          amount is greater than the corresponding amount that was calculated for the  
12          previous year. Each amount that is revised under this paragraph shall be rounded  
13          to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the  
14          revised amount is a multiple of \$5, such an amount shall be increased to the next  
15          higher multiple of \$10. The department of revenue shall annually adjust the changes  
16          in dollar amounts required under this paragraph and incorporate the changes into  
17          the income tax forms and instructions.

18           **SECTION 14.** 71.09 (11) (f) of the statutes, as created by 2009 Wisconsin Act 28,  
19          is amended to read:

20           71.09 (11) (f) The taxpayer has underpaid the taxpayer's estimated taxes due  
21          to the change in brackets under s. 71.06 (1p) (e) or (f) and (2) (g) 5. or 6. and (h) 5. or  
22          6. This paragraph applies only in the first taxable year to which these bracket  
23          changes apply.

24          ~~**SECTION 15.** 560.147 of the statutes is created to read:~~

25          ~~**560.147 Grants for business retooling and retention.** (1) In this section:~~

**ASSEMBLY BILL 513****SECTION 15**

1 (a) "Economically distressed area" means any of the following:

2 1. A county, city, or micropolitan statistical area with an unemployment rate  
3 of at least 6 percent in 2 or more months during the 12 months preceding the date  
4 of the grant application.

5 2. A county, city, or micropolitan statistical area with an average  
6 unemployment rate equal to at least 120 percent of the statewide average  
7 unemployment rate during the 12 months preceding the date of the grant  
8 application.

9 3. A county, city, or micropolitan statistical area with an unemployment rate  
10 that has increased by at least 2 percent during the 12 months preceding the date of  
11 the grant application.

12 (b) "Micropolitan statistical area" means a geographic area defined by the  
13 federal office of management and budget for use by federal agencies in collecting,  
14 tabulating, and publishing federal statistics.

15 (2) (a) From the appropriation under s. 20.143 (1) (cr), the department may  
16 award a grant to a business that applies to the department under this section for  
17 capital investments to upgrade or modernize the operations, facilities, or equipment  
18 of the business if all of the following are satisfied:

19 1. The operations, facilities, or equipment of the business are located in an  
20 economically distressed area of this state.

21 2. The business demonstrates to the satisfaction of the department that the  
22 capital investments will result in the retention or creation of jobs.

23 (b) The department shall award grants on a competitive basis and shall give  
24 priority to a business that has established or that proposes to establish a partnership

**ASSEMBLY BILL 513**

1 with a technical college district board for the purpose of providing skill training or  
2 retraining to meet the specific workforce needs of that business.

3 (3) The department shall promulgate rules to implement and administer this  
4 section. The rules under this subsection shall include limits on the amount of a grant  
5 to be awarded under this section to ensure that grant moneys are distributed to as  
6 many eligible businesses as possible and will result in the retention or creation of as  
7 many jobs as possible.

8 **SECTION 16.** 560.205 (3) (d) of the statutes, as affected by 2009 Wisconsin Act  
9 2, is amended to read:

10 560.205 (3) (d) *Rules.* The department of commerce, in consultation with the  
11 department of revenue, shall promulgate rules to administer this section. The rules  
12 shall further define "bona fide angel investment" for purposes of s. 71.07 (5d) (a) 1.  
13 The rules shall limit the aggregate amount of tax credits under s. 71.07 (5d) that may  
14 be claimed for investments in businesses certified under sub. (1) at \$3,000,000 per  
15 calendar year for calendar years beginning after December 31, 2004, and before  
16 January 1, 2008, \$5,500,000 per calendar year for calendar years beginning after  
17 December 31, 2007, and before January 1, 2010, \$7,500,000 per calendar year for  
18 calendar years beginning after December 31, 2009, and before January 1, 2011, and  
19 \$18,000,000 \$20,000,000 per calendar year for calendar years beginning after  
20 December 31, 2010, plus, for taxable years beginning after December 31, 2010, an  
21 additional \$250,000 for tax credits that may be claimed for investments in  
22 nanotechnology businesses certified under sub. (1). The rules shall also limit the  
23 aggregate amount of the tax credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and  
24 76.638 that may be claimed for investments paid to fund managers certified under  
25 sub. (2) at \$3,500,000 per calendar year for calendar years beginning after December

**ASSEMBLY BILL 513****SECTION 16**

31, 2004, and before January 1, 2008, \$6,000,000 per calendar year for calendar years beginning after December 31, 2007, and before January 1, 2011, and \$18,500,000 per calendar year for calendar years beginning after December 31, 2010, plus, for taxable years beginning after December 31, 2010, an additional \$250,000 for tax credits that may be claimed for investments in nanotechnology businesses certified under sub. (1). The rules shall also provide that, for calendar years beginning after December 31, 2007, no person may receive a credit under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), or 76.638 unless the person's investment is kept in a certified business, or with a certified fund manager, for no less than 3 years.

**SECTION 9110. Nonstatutory provisions; Commerce.****(1) RULE MAKING.**

(a) The department of commerce shall submit in proposed form the rules required under section 560.147 (3) of the statutes, as created by this act, no later than the first day of the 4th month beginning after the effective date of this paragraph.

(b) Using the emergency rules procedure under section 227.24 of the statutes, the department of commerce shall promulgate the rules required under section 560.147 (3) of the statutes, as created by this act, for purposes of implementing the grant program under section 560.147 of the statutes, as created by this act, for the period before the effective date of the rules submitted under paragraph (a). The department of commerce shall promulgate these emergency rules no later than the first day of the 4th month beginning after the effective date of this paragraph. Notwithstanding section 227.24 (1) (c) and (2) of the statutes, emergency rules promulgated under this subsection remain in effect until July 1, 2010, or until the date on which permanent rules take effect, whichever is sooner. Notwithstanding section 227.24 (1) (a) and (3) of the statutes, the department is not required to provide

## ASSEMBLY BILL 513

evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this subsection.

(c) Notwithstanding sections 227.137 (2) and 227.138 (2) of the statutes, if the secretary of administration requires the department of commerce to prepare an economic impact report for the rules required under section 560.147 (3) of the statutes, as created by this act, the department may submit the proposed rules to the legislature for review under section 227.19 (2) of the statutes before the department completes the economic impact report and before the department receives a copy of the report and approval under section 227.138 (2) of the statutes.

**SECTION 9146. Nonstatutory provisions; Technical College System**

(1) RULES. Using the procedure under section 227.24 of the statutes, the technical college system board shall promulgate rules required under section 38.31 (8) of the statutes, as created by this act, for the period before the effective date of the permanent rules promulgated under that section, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the technical college system board is not required to provide evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of public peace, health, safety, or welfare and is not required to provide a finding of an emergency for a rule promulgated under this subsection.

**SECTION 9223. Fiscal changes; Higher Educational Aids Board.**

(1) ~~WISCONSIN HIGHER EDUCATION GRANTS; UNIVERSITY OF WISCONSIN SYSTEM STUDENTS.~~ In the schedule under section 20.005 (3) of the statutes for the

STATE AID



## ASSEMBLY BILL 513

## SECTION 9223

*technical college system**20.292 (1)(d)*

1 appropriation to the ~~higher educational aids board~~ <sup>2011</sup> under section ~~20.235 (1) (ff)~~ of the

2 statutes, as affected by the acts of 2009, the dollar amount is increased by ~~\$5,563,900~~

3 ~~for the first fiscal year of the fiscal biennium in which this subsection takes effect for~~

4 ~~the purpose for which the appropriation is made. In the schedule under section~~

5 ~~20.005 (3) of the statutes for the appropriation to the higher educational aids board~~

6 ~~under section 20.235 (1) (ff) of the statutes, as affected by the acts of 2009, the dollar~~

7 ~~amount is increased by \$1,504,800~~ <sup>\$ 35,800,000</sup> for the second fiscal year of the fiscal biennium

8 in which this subsection takes effect for the purpose <sup>\$</sup> for which the appropriation is

9 made.

10 (2) WISCONSIN HIGHER EDUCATION GRANTS; TECHNICAL COLLEGE STUDENTS. In the  
11 schedule under section 20.005 (3) of the statutes for the appropriation to the higher  
12 educational aids board under section 20.235 (1) (ff) of the statutes, as affected by the  
13 acts of 2009, the dollar amount is increased by \$7,993,000 for the first fiscal year of  
14 the fiscal biennium in which this subsection takes effect for the purpose for which  
15 the appropriation is made. In the schedule under section 20.005 (3) of the statutes  
16 for the appropriation to the higher educational aids board under section 20.235 (1)  
17 (ff) of the statutes, as affected by the acts of 2009, the dollar amount is increased by  
18 \$16,123,800 for the second fiscal year of the fiscal biennium in which this subsection  
19 takes effect for the purpose for which the appropriation is made.

20 (3) WISCONSIN HIGHER EDUCATION GRANTS; TRIBAL COLLEGE STUDENTS. In the  
21 schedule under section 20.005 (3) of the statutes for the appropriation to the higher  
22 educational aids board under section 20.235 (1) (km) of the statutes, as affected by  
23 the acts of 2009, the dollar amount is increased by \$108,300 for the first fiscal year  
24 of the fiscal biennium in which this subsection takes effect for the purpose for which  
25 the appropriation is made. In the schedule under section 20.005 (3) of the statutes

**ASSEMBLY BILL 513**

1 for the appropriation to the higher educational aids board under section 20.235 (1)  
2 (km) of the statutes, as affected by the acts of 2009, the dollar amount is increased  
3 by \$263,700 for the second fiscal year of the fiscal biennium in which this subsection  
4 takes effect for the purpose for which the appropriation is made.

5 (4) TUITION GRANTS. In the schedule under section 20.005 (3) of the statutes for  
6 the appropriation to the higher educational aids board under section 20.235 (1) (b)  
7 of the statutes, as affected by the acts of 2009, the dollar amount is increased by  
8 \$1,867,500 for the first fiscal year of the fiscal biennium in which this subsection  
9 takes effect for the purpose for which the appropriation is made. In the schedule  
10 under section 20.005 (3) of the statutes for the appropriation to the higher  
11 educational aids board under section 20.235 (1) (b) of the statutes, as affected by the  
12 acts of 2009, the dollar amount is increased by \$3,179,200 for the second fiscal year  
13 of the fiscal biennium in which this subsection takes effect for the purpose for which  
14 the appropriation is made.

15 **SECTION 9343. Initial applicability; Revenue.**

16 (1) INDIVIDUAL INCOME TAX BRACKETS. The treatment of sections 71.06 (1p) (e)  
17 and (f) and (2) (g) 5. and 6. and (h) 5. and 6. and 71.09 (11) (f) of the statutes first  
18 applies to taxable years beginning on January 1, ~~1/1/09~~ 2012.

19 (END)

## **Grant, Peter**

---

**From:** Selkove, Vicky  
**Sent:** Thursday, September 15, 2011 11:24 AM  
**To:** Grant, Peter  
**Subject:** LRB 2739/1

Peter –

I'm sorry but upon closer look (and more coffee), those two appropriation figures in this bill draft are reversed. The \$34.2M needs to be the figure on page 8 increasing WTCS state aid, and the \$35.8M appropriation needs to be the appropriation for the grants to reduce unemployment.

If you can bump this revision to the top of the editing stack that would be appreciated as we need it ASAP. We're about to roll this bill out.

Thanks,  
Vicky

**Vicky Selkove**  
**Office of State Representative Cory Mason**  
**62nd Assembly District**  
State Capitol, Room 6 North  
PO Box 8953, Madison, WI 53708  
Phone: (608) 266-0634  
Toll-free: (888) 534-0062

This message and any files transmitted with it may contain confidential and/or legally privileged material. The information is intended only for the use of the intended recipient. If you are not the intended recipient, any disclosure, copying, distribution, or taking of any action in reliance on the contents of this information is strictly prohibited. If you received this message in error, please contact the sender and delete the message



State of Wisconsin  
2011 - 2012 LEGISLATURE

TODAY



LRB-2739/1

PG&MES:cjs:rs

2011 BILL

(PP 3 & 8)

stays

STV

Car Cat

1 AN ACT *to amend* 38.28 (1m) (a) 1., 71.06 (1p) (e), 71.06 (2) (g) 5., 71.06 (2) (h)  
2 5., 71.06 (2e) (b) and 71.09 (11) (f); and *to create* 20.292 (1) (cr), 38.31, 71.06 (1p)  
3 (f), 71.06 (2) (g) 6. and 71.06 (2) (h) 6. of the statutes; **relating to:** grants to  
4 technical college districts to reduce unemployment; creating a new individual  
5 income tax upper bracket; providing an exemption from emergency rule  
6 procedures; granting rule-making authority; and making appropriations.

***Analysis by the Legislative Reference Bureau***

This bill directs the Wisconsin Technical College System (WTCS) Board to award grants to technical college districts for programs that assist in reducing unemployment. To be eligible for a grant, a technical college district must meet certain eligibility criteria relating to the unemployment rate of areas within the district or recent increases in the unemployment rate of areas within the district. Grants are available for three specified purposes:

1. To recruit, enroll, instruct, provide support services to, and pay the tuition and fees of dislocated workers who enroll in the district. A dislocated worker is a person who has been laid off or terminated from employment and meets certain additional criteria; a person who was self-employed but is currently unemployed as a result of economic conditions or natural disasters; or a displaced homemaker.

2. To recruit, enroll, instruct, and provide support services to adults who enroll in the district in a program leading to a certificate of general educational development (commonly referred to as a GED) or a high school equivalency diploma.

**BILL**

3. To expand existing capacity or create capacity in district programs for which there are student waiting lists or that address projected workforce needs in the district.

The bill authorizes the WTCS Board to modify the grant eligibility criteria and the purposes for which grants may be awarded in order to ensure the eligibility of district boards for grants awarded by the federal government for programs that improve completion rates and train workers for skilled occupations.

The bill directs the WTCS Board to give preference in awarding grants to programs that serve persons who reside in areas with the highest unemployment rates. The board must also submit annual reports to the governor and to the legislature regarding the programs that have been awarded grants.

Under current law, there are five income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons. The brackets are indexed for inflation. The rate of taxation under current law for the lowest bracket for single individuals, certain fiduciaries, heads of households, and married persons is 4.6 percent of taxable income; the rate for the second bracket is 6.15 percent; the rate for the third bracket is 6.5 percent; the rate for the fourth bracket is 6.75 percent; and the rate for the highest bracket, which was created in the 2009–11 biennial budget act, 2009 Wisconsin Act 28, is 7.75 percent.

For taxable year 2011, the highest bracket applies to taxable income exceeding \$224,210 for single individuals, certain fiduciaries, and heads of households. For married persons, the highest current bracket applies to taxable income exceeding \$298,940 for joint filers and \$149,470 for separate filers.

For taxable year 2012 and thereafter, this bill creates a sixth bracket with a taxation rate of 8.75 percent. For single individuals, certain fiduciaries, and heads of households, this bracket applies to taxable income exceeding \$1,000,000. For married persons, this bracket applies to taxable income exceeding \$1,000,000 for joint filers and \$500,000 for separate filers. This bracket is indexed for inflation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

- 1           **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
2           the following amounts for the purposes indicated:

## BILL

2011-12      2012-13

**20.292 Technical college system board****(1) TECHNICAL COLLEGE SYSTEM****(cr)** Grants to reduce unemployment    GPR    A

-0-

**35,800,000**  
~~34,200,000~~ ^**SECTION 2.** 20.292 (1) (cr) of the statutes is created to read:

20.292 **(1)** (cr) *Grants to reduce unemployment.* The amounts in the schedule for grants to technical college districts to reduce unemployment under s. 38.31.

**SECTION 3.** 38.28 (1m) (a) 1. of the statutes is amended to read:

38.28 **(1m)** (a) 1. "District aidable cost" means the annual cost of operating a technical college district, including debt service charges for district bonds and promissory notes for building programs or capital equipment, but excluding all expenditures relating to auxiliary enterprises and community service programs, all expenditures funded by or reimbursed with federal revenues, all receipts under sub. (6) and ss. 38.12 (9), 38.14 (3) and (9), 118.15 (2) (a), and 118.55 (7r), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14 (11), 38.26, 38.27, 38.31, 38.33, and 38.38, all fees collected under s. 38.24, and driver education and chauffeur training aids.

**SECTION 4.** 38.31 of the statutes is created to read:**38.31 Grants to reduce unemployment. (1) DEFINITIONS.** In this section:

(a) "Dislocated worker" has the meaning given in 29 USC 2801 (9).

(b) "Micropolitan statistical area" means a geographic area defined by the federal office of management and budget for use by federal agencies in collecting, tabulating, and publishing federal statistics.

**BILL****SECTION 4**

1           **(2) ELIGIBILITY CRITERIA.** (a) Subject to par. (b) and sub. (6), a district board is  
2 eligible for a grant under this section if it meets one or more of the following criteria:

3           1. The district includes a county, city, or micropolitan statistical area with an  
4 unemployment rate of at least 6 percent in 2 or more months during the 12 months  
5 preceding the date of the grant application

6           2. The district includes a county, city, or micropolitan statistical area with an  
7 average unemployment rate equal to at least 120 percent of the statewide average  
8 unemployment rate during the 12 months preceding the date of the grant  
9 application.

10          3. The district includes a county, city, or micropolitan statistical area with an  
11 unemployment rate that has increased by at least 2 percent during the 12 months  
12 preceding the date of the grant application.

13          (b) The board may not award a grant to a district board under this section  
14 unless the district board demonstrates how the grant will serve the area or areas that  
15 established the eligibility of the district board for a grant under par. (a).

16          **(3) GRANTS.** Subject to sub. (6), the board shall award grants to eligible district  
17 boards for the following purposes:

18          (a) To recruit, enroll, instruct, provide support services to, and pay the tuition  
19 and fees of dislocated workers who enroll in the district in an associate degree  
20 program, collegiate transfer program, vocational diploma program, or  
21 vocational-adult program.

22          (b) To recruit, enroll, instruct, and provide support services to adults who enroll  
23 in the district in a program leading to a certificate of general educational  
24 development or a high school equivalency diploma.

**BILL**

1 (c) To expand existing capacity or create capacity in district board programs for  
2 which there are student waiting lists or that address projected workforce needs in  
3 the district.

4 (4) PREFERENCE. The board shall give preference in awarding grants under this  
5 section to district boards serving persons residing in areas with the highest  
6 unemployment rates.

7 (5) LIMITATION ON USE OF FUNDS. A district board may not use a grant awarded  
8 under this section to pay any portion of tuition that would otherwise be paid for by  
9 a tuition remission, tuition waiver, tuition reimbursement, or any other financial aid  
10 program of this state, another state, or the federal government.

11 (6) COMPLIANCE WITH FEDERAL LAW. The board may modify the eligibility criteria  
12 under sub. (2) and the purposes for which grants may be awarded under sub. (3) in  
13 order to ensure the eligibility of district boards for grants awarded by the federal  
14 government for programs that improve completion rates and train workers for  
15 skilled occupations.

16 (7) REPORT. (a) By January 15, 2013, and annually thereafter, the board shall  
17 submit a report to the governor and to the legislature under s. 13.172 (2). The report  
18 shall include all of the following:

19 1. The district boards awarded grants under this section and how they used the  
20 funds.

21 2. The rates of unemployment in the areas in which the grants were disbursed.

22 3. The number of people who were assisted with each grant awarded, the  
23 technical college programs in which they enrolled, the number of people who  
24 completed such programs, the number of people who found employment in the  
25 district and elsewhere upon completing such programs and their annual salaries,



**BILL****SECTION 4**

1 and the tax revenue generated as a result, as estimated by the department of  
2 revenue.

3 (b) Beginning with the report submitted in 2014, the board shall include  
4 longitudinal data.

5 **(8) RULES.** The board shall promulgate rules to implement and administer this  
6 section.

7 **SECTION 5.** 71.06 (1p) (e) of the statutes is amended to read:

8 71.06 **(1p)** (e) On all taxable income exceeding \$225,000 but not exceeding  
9 \$1,000,000, 7.75 percent.

10 **SECTION 6.** 71.06 (1p) (f) of the statutes is created to read:

11 71.06 **(1p)** (f) On all taxable income exceeding \$1,000,000, 8.75 percent.

12 **SECTION 7.** 71.06 (2) (g) 5. of the statutes is amended to read:

13 71.06 **(2)** (g) 5. On all taxable income exceeding \$300,000 but not exceeding  
14 \$1,000,000, 7.75 percent.

15 **SECTION 8.** 71.06 (2) (g) 6. of the statutes is created to read:

16 71.06 **(2)** (g) 6. On all taxable income exceeding \$1,000,000, 8.75 percent.

17 **SECTION 9.** 71.06 (2) (h) 5. of the statutes is amended to read:

18 71.06 **(2)** (h) 5. On all taxable income exceeding \$150,000 but not exceeding  
19 \$500,000, 7.75 percent.

20 **SECTION 10.** 71.06 (2) (h) 6. of the statutes is created to read:

21 71.06 **(2)** (h) 6. On all taxable income exceeding \$500,000, 8.75 percent.

22 **SECTION 11.** 71.06 (2e) (b) of the statutes is amended to read:

23 71.06 **(2e)** (b) For taxable years beginning after December 31, 2009, the  
24 maximum dollar amount in each tax bracket, and the corresponding minimum dollar  
25 amount in the next bracket, under subs. (1p) (d) and (e) and (2) (g) 4. and 5. and (h)

**BILL**

1     4. and 5., and the dollar amount in the top bracket under subs. (1p) ~~(e)~~ (f) and (2) (g)  
2     ~~5. 6.~~ and (h) ~~5. 6.~~, shall be increased each year by a percentage equal to the percentage  
3     change between the U.S. consumer price index for all urban consumers, U.S. city  
4     average, for the month of August of the previous year and the U.S. consumer price  
5     index for all urban consumers, U.S. city average, for the month of August 2008, as  
6     determined by the federal department of labor, except that for taxable years  
7     beginning after December 31, 2011, the adjustment may occur only if the resulting  
8     amount is greater than the corresponding amount that was calculated for the  
9     previous year. Each amount that is revised under this paragraph shall be rounded  
10    to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the  
11    revised amount is a multiple of \$5, such an amount shall be increased to the next  
12    higher multiple of \$10. The department of revenue shall annually adjust the changes  
13    in dollar amounts required under this paragraph and incorporate the changes into  
14    the income tax forms and instructions.

15       **SECTION 12.** 71.09 (11) (f) of the statutes is amended to read:

16       71.09 (11) (f) The taxpayer has underpaid the taxpayer's estimated taxes due  
17    to the change in brackets under s. 71.06 (1p) (e) or (f) and (2) (g) 5. or 6. and (h) 5. or  
18    6. This paragraph applies only in the first taxable year to which these bracket  
19    changes apply.

20       **SECTION 9146. Nonstatutory provisions; Technical College System.**

21       (1) RULES. Using the procedure under section 227.24 of the statutes, the  
22    technical college system board shall promulgate rules required under section 38.31  
23    (8) of the statutes, as created by this act, for the period before the effective date of the  
24    permanent rules promulgated under that section, but not to exceed the period  
25    authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding

**BILL**

1 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the technical college system  
2 board is not required to provide evidence that promulgating a rule under this  
3 subsection as an emergency rule is necessary for the preservation of public peace,  
4 health, safety, or welfare and is not required to provide a finding of an emergency for  
5 a rule promulgated under this subsection.

**SECTION 9246. Fiscal changes; Technical college system.**

7 (1) STATE AID. In the schedule under section 20.005 (3) of the statutes for the  
8 appropriation to the technical college system under section 20.292 (1) (d) of the  
9 statutes, as affected by the acts of 2011, the dollar amount is increased by  
10 ~~\$35,800,000~~ **\$34,200,000** for the second fiscal year of the fiscal biennium in which this subsection  
11 takes effect for the purposes for which the appropriation is made.

**SECTION 9343. Initial applicability; Revenue.**

13 (1) INDIVIDUAL INCOME TAX BRACKETS. The treatment of sections 71.06 (1p) (e)  
14 and (f) and (2) (g) 5. and 6. and (h) 5. and 6. and 71.09 (11) (f) of the statutes first  
15 applies to taxable years beginning on January 1, 2012.

16 (END)

**Barman, Mike**

---

**From:** Selkove, Vicky  
**Sent:** Wednesday, October 05, 2011 12:08 PM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB 11-2739/2 Topic: Technical college aid; create new income tax bracket

Please Jacket LRB 11-2739/2 for the ASSEMBLY.